

REMARKS

Reconsideration and allowance of the subject application are requested.

The undersigned wishes to thank the Examiner for his time and cooperation during the interview on March 9, 2009.

All of the pending claims stand rejected based on 35 U.S.C. Section 103(a) as being unpatentable over Brown in view of Little. The rejection is based largely on the following determinations noted by the Examiner:

- 1) the fact that a car is a used car is a "history attribute" as recited in the claims (See page 3 of the Office Action); and
- 2) the fact that buyers are often "duped" demonstrates a need to know the history of a vehicle (See page 5 of the Office Action).

The claims have been amended to avoid the claim construction noted in (1) above. Further, (2) is evidence of nonobviousness of the claimed invention for the reasons set forth below.

The invention relates to a model for determining price a price adjustment to a base price of a used vehicle. Pricing models for used vehicles are known generally. Conventional pricing models are based on the current condition of the used vehicle. In other words, the price is determined based on currently observable conditions, such as mileage, body condition, and the like. For example, a specific car model from 2003 in good body condition will have a value based upon mileage, a current condition. All cars of the same model, year, body condition and mileage will have the same value when using conventional pricing models.

However, various events that occurred to a vehicle in the past can greatly influence the value of a vehicle to buyers. These events are not always apparent based on the current condition of the vehicle. In the example illustrated below, two vehicles having identical current status would be priced identically when using conventional pricing models. However, when considering the historical events of the vehicle, as in

the claimed invention. The determined value of the vehicle is significantly different. In this example, both vehicles have the same total mileage (current status). However, the vehicle on the left has a consistent mileage pattern and the vehicle on the right has an inconsistent mileage pattern (historical events). Because of the distinctions in mileage patterns, the car on the left is valued significantly higher when applying the claimed invention. The claims have been amended, and new claims have been added to clarify these aspects of the invention.

Consistent Mileage Pattern

Year: 2004
 Make: Dodge
 Model: Caravan
 Trim: SXT
 Current Condition: Excellent
 Current Miles: 36,000
 Current Location: Fairfax, VA

KBB retail value: \$8,140

Inconsistent Mileage Pattern

Year: 2004
 Make: Dodge
 Model: Caravan
 Trim: SXT
 Current Condition: Excellent
 Current Miles: 36,000
 Current Location: Fairfax, VA

KBB retail value: \$8,140

Current Status Attributes

Vehicle History Attributes

OWNER 1	OWNER 2	OWNER 3
11,800yr. 3/2/04 - 3/16/05	13,000yr. 3/16/05 - 4/29/06	12,600yr. 4/29/06 - present

Quantifiable Price Adjustment: **+\$200**

Vehicle History Adjusted Price: \$8,340

OWNER 1	OWNER 2	OWNER 3
30,000yr. 3/2/04 - 12/15/06	2,000yr. 12/15/06 - 3/29/07	4,000yr. 3/29/07 - present

Quantifiable Price Adjustment: **-\$475**

Vehicle History Adjusted Price: \$7,665

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As noted above, the invention relates to a novel pricing model for used cars. Independent claims 52 and 75 have been amended to more clearly be directed to application of the model in a method for adjusting the base price of a particular used vehicle. New independent claim 126 is directed to a method for creating the pricing model. New independent claim 140 is directed to computer readable media for performing a method similar to the method recited in claim 52.

The claims expressly recite that the used vehicle has a “present status at a specific time” and that the price is adjusted based on history attributes indicating specific prior events that have occurred to the used vehicle”. This clarifies the invention and precludes the interpretation that the classification of “used” is a “prior event” as recited in the claims. The pricing model recited in the claims is based on transaction records each including a transaction value for a vehicle and vehicle history

attributes for that vehicle. This permits the transaction price of relevant transaction records to be used to adjust the base price of a particular used car having similar history attributes.

The fact that buyers have been “duped” in the past is evidence of nonobviousness of the claimed invention. In particular, conventional pricing models are inadequate, as evidenced by buyers being fooled. This has been known for many years. However, prior to applicant’s invention, pricing models have failed to solve the known problem of “duping”. Such “longfelt but unsolved need” is well accepted as evidence of non obviousness. See MPEP 716.01(a).

New claim 126 is directed to a method for creating the model that is applied in claims 52 and 75. The method includes the creation fo transaction records that include a transaction price for a vehicle and vehicle history attributes indicating prior events that occurred to that vehicle.

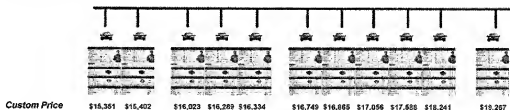
The advantages of the claimed invention are further illustrated below. Under conventional pricing models, all cars of a specific make, model, year, condition, trim and location (all present status) are priced the same. However, embodiments of the invention, which consider historical events occurring to the car, yield a pricing structure with greater resolution and accuracy. These embodiments minimize the problem of buyers being “duped”.

Pricing Today



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Infinite History Variables



The invention achieves a more precise value for a particular vehicle by taking into account historical purchase prices of the vehicle and prior events for that particular vehicle. Neither Brown nor Little teach or suggest these features or the advantages associated therewith. Accordingly, the rejection should be withdrawn. The remaining claims are allowable at least by virtue of their dependence from one of independent claims 52, 75, 126, and 140.

Claims 58, 77, 127, and 147 relate to determining whether a buyer had knowledge of historical vehicle attributes at the time of a purchase transaction and using records where the buyer did have knowledge in the pricing model. Other dependent claims relate to how to classify and process transaction records based on the knowledge. The Examiner has cited paragraph 20 of Brown as disclosing the step of determining whether a buyer had knowledge of vehicle history attributes that time of a sale transaction. However, this portion of the reference merely discloses that

buyers don't always know the current mileage of a vehicle when they purchase it. This does not teach the need for and advantages of determining whether a buyer had knowledge of historical attributes at the time of sale to determine how to use the sales transaction record in calculating a price adjustment. In fact, this portion of the reference underscores the problem of imprecision associated with the prior art.

For all of the reasons set forth above, the rejections should be withdrawn and all of the pending claims allowed. Notice of Allowance is solicited.

Respectfully submitted,

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